



U.S. Immigration
and Customs
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FIVE MEMBERS OF SEATTLE FAMILY AMONG SIX CHARGED IN FINANCIAL AND IMMIGRATION FRAUD SCHEME

Suspects allegedly promised Korean buyers janitorial franchises and legal immigration status

SEATTLE — Six Korean nationals have been indicted on federal charges here for allegedly orchestrating a fraud scheme to lure Korean investors to the United States under the guise of receiving highly profitable janitorial franchises along with lawful immigration status. According to affidavits in the case, individuals who invested tens of thousands of dollars in the scheme not only failed to receive the promised proceeds, but some were put to work cleaning offices, ostensibly as part of their “training.”

Kook Jin Kim, 33, and his wife Yung Jung Lee, 33, were arrested by U.S. Immigration and Customs Enforcement (ICE) agents here last month on a variety of charges, including visa fraud and identity fraud.

On October 11, 62-year-old Jung Kwang Kim, a.k.a. Danny Kim, the suspected ringleader of the scheme and his wife, Hoo Yun Lee, 52, were arrested in Moreno Valley, California on charges stemming from an indictment from the Western District of Washington. Also indicted in connection with the year-long investigation are Hee Soon Kim, 58, and another associate Mun Goo Lee, 41. The latter two suspects remain at large and are being sought by federal authorities.

Court documents reveal Jung Kim used word-of-mouth and advertisements in South Korean newspapers to sell janitorial franchises purportedly giving buyers exclusive cleaning contracts for major commercial buildings in Seattle, Bellevue, and Redmond. At least one “investor” received a written contract promising \$33,000 a month in income. In addition, the newspaper advertisements placed by Jung Kim promised investors legal permanent residency in the United States.

The indictment against Jung Kim charges him with three counts of wire fraud, and one count each of visa fraud, identity fraud, and making a false statement. The indictment against Hoo Yun Lee charges her with one count each of false statements, visa fraud, and identity fraud.

“Through this investigation we have been able to dismantle a group that sought to exploit the legal immigration process and defraud those vulnerable to promises of citizenship and financial betterment,” said Leigh Winchell, special agent-in-charge for ICE investigations in Seattle.

ICE launched its investigation last year after a man came forward to report that he had been lured from Korea to the Seattle area by Jung “Danny” Kim and defrauded of several thousand dollars. According to the case affidavit, the probe subsequently revealed that Kim and the other suspects had been engaging in the criminal activity at since at least August 2002.

Court papers show that Jung Kim’s sons operated two companies, J & K Seattle and Tri-Max Services, which had legitimate franchise agreements with a Seattle area company. The company owned contracts to provide janitorial cleaning services to commercial buildings throughout the Seattle area and sold these contracts as franchises. The investigation determined that the elder Kim’s name was not on those franchise agreements and he did not have authorization to resell the cleaning contracts.

Kook Jin Kim and Yung Jung Lee were arraigned September 28 and remain in the custody of the U.S. Marshals Service. Specifically Kook Kim is charged with a variety of counts including false statements, visa fraud and identity fraud. Yung Lee is charged in several accounts including fraud and misuse of documents and forgery. If convicted, Kim faces a maximum sentence of 15 years in prison. Lee could receive a sentence of up to 15 years if convicted.

Jung Kim and Hoo Yun Lee made their initial appearance in federal court on October 11 in Riverside, California, and have been returned to Washington to stand trial. If convicted, Kim faces a maximum sentence of 20 years in prison. The charges against Lee carry a maximum sentence of 15 years.

ICE

U.S. Immigration and Customs Enforcement was established in March 2003 as the largest investigative arm of the Department of Homeland Security. ICE is comprised of four integrated divisions that form a 21st century law enforcement agency with broad responsibilities for a number of key homeland security priorities.